

RECORDED AT THE REQUEST OF
AND
RETURN TO
STANDARD OIL CO. OF CALIFORNIA
LAND DEPARTMENT
P. O. BOX 7643
SAN FRANCISCO, CALIFORNIA 94120

082617
BOOK 137 PAGE 533

10/7/74

GEOTHERMAL RESOURCES LEASE (SHORT FORM)

THIS LEASE AGREEMENT (SHORT FORM) made and entered into this 29th day of November, 1975, by and between SAM M. DERMENGIAN and ANNIE DERMENGIAN, husband and wife

hereinafter called "Lessor," and ~~STANDARD OIL COMPANY OF CALIFORNIA~~, a corporation, and CHEVRON OIL COMPANY, a corporation, and AMERICAN THERMAL RESOURCES, INC., a Nevada corporation, hereinafter called "Lessee,"

WITNESSETH:

1. That Lessor, for valuable consideration, receipt of which is hereby acknowledged, and in consideration of the covenants and agreements contained in that certain Geothermal Resources Lease referred to in Paragraph 3 below, hereinafter called "said Geothermal Resources Lease" has granted, let and leased, and by these presents does grant, let and lease, exclusively unto Lessee the real property hereinafter described and referred to as "said land" for the purposes of drilling for, producing, extracting, taking and removing therefrom (a) all products of geothermal processes, embracing indigenous steam, hot water and hot brines; (b) steam and other gases, hot water and hot brines resulting from water, gas, or other fluids artificially introduced into subsurface formations; (c) heat or other associated energy found beneath the surface of the earth; and (d) byproducts of any of the foregoing such as minerals (exclusive of oil or hydrocarbon gas that can be separately produced) which are found in solution or association with or derived from any of the foregoing (hereinafter collectively referred to as "geothermal resources"), storing, utilizing, processing, converting and otherwise using geothermal resources and selling the same; disposing of waste products; injecting water, brine, steam and gases from one well into another; exploring said land by geological, geophysical or other methods and taking water from said land; and for other uses and purposes incidental to the foregoing uses and purposes, as provided in said Geothermal Resources Lease; and constructing, using, maintaining, erecting, repairing and replacing thereon and removing therefrom such structures, facilities, roads, pipelines and utility lines as are necessary for the foregoing. Possession by Lessee of said land shall be sole and exclusive excepting only that Lessor reserves the right to occupy and use or to lease the surface of said land for agricultural, horticultural or other surface uses, except those granted to Lessee hereunder and in said Geothermal Resources Lease, which uses shall be carried on by Lessor subject to and with no interference with the rights or operations of Lessee hereunder. The said land covered by this lease is situated in the County of Lander & Eureka State of Nevada, and is described as follows:

Township 31 North, Range 48 East, M.D.B.6M.

Section 21: E $\frac{1}{2}$ NE $\frac{1}{4}$

Section 31: All of Lot 2; S $\frac{1}{2}$ of Lot 6; All of Lots 7, 8 and 10; SW $\frac{1}{4}$ of Lot 12; All of Lots 13 and 14.

containing .348.57 acres of land, more or less.

2. This Lease shall remain in force for a term of 5 years from the date hereof and either as long thereafter as geothermal resources are produced from said land or so long as operations are conducted on said land or so long as this lease is kept in force under any other provision of said Geothermal Resources Lease, all as particularly set forth therein and subject to termination as therein provided.

3. This Lease Agreement (Short Form) is made upon the terms, covenants and conditions set forth in that certain Geothermal Resources Lease bearing even date herewith by and between the said parties hereto, covering the real property above described, which Geothermal Resources Lease is by this reference incorporated herein and made a part hereof in all respects as though the same were fully set forth herein.

4. This Lease and all its terms, conditions and stipulations shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed as of the date first hereinabove written.

LESSEE

CHEVRON OIL COMPANY

By W.D. Hargrave Contract Agent

By Barbara F. Perry Assistant Secretary

AMERICAN THERMAL RESOURCES, INC.

By Ray Kroschel President

LESSOR
Sam M. Dermenjian
SAM M. DERMENGIAN

Annie Dermenjian
ANNIE DERMENGIAN, his wife

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[Handwritten signatures and initials in the right margin]

STATE OF CALIFORNIA
 COUNTY OF LOS ANGELES

ON December 19, 1975
 before me, the undersigned, a Notary Public in and for said State, personally appeared
SAM M. DERMENCIAN and ANNIE DERMENCIAN
 known to me to be the
 persons whose names are subscribed to the within instrument,
 and acknowledged to me that they executed the same.

WITNESS my hand and official seal.

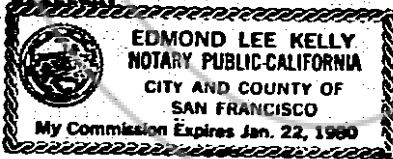
Anthony Sgroi
 Notary Public in and for said State.

ACKNOWLEDGMENT—General—Notarita Form 232—Rev. 3-64

State of California)
 City and County of San Francisco) ss

On March 16, 1976, before me, Edmond Lee Kelly, A Notary
 Public in and for said City and County and State, residing therein, duly commissioned
 and sworn, personally appeared Will A. DePaoli, Secretary
 known to me to be Will A. DePaoli, Secretary
 of Standard Oil Company the Corporation
 described in and that executed the within instrument, and also known to me to be the
 person(s) who executed it on behalf of the said Corporation therein named, and
 acknowledged to me that such Corporation executed the same.

IN WITNESS WHEREOF, I have herunto set my hand and affixed my Official
 Seal, in the City and County and State aforesaid the day and year in this certificate
 above written.



Edmond Lee Kelly 17
 Notary Public in and for said City and
 County of San Francisco, State of California

RECORDED AT THE REQUEST OF
 Standard Oil Company of Calif
 on March 16, 1976
 at 31 mins. past 11 A. M.
 in Book 54 of OFFICIAL
 RECORDS, page 125-126 RECORDS
 OF EUREKA COUNTY, NEVADA
 WILL A. DePAOLI
 Recorder
 File No. 60985 Fee \$ 4.00

OFFICIAL RECORDS
 LANDER CO. NEV
 RECORD REQUESTED BY
Standard oil co.
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 ESTER DE SAALEGUI
 RECORDER
 FEE 4.00 DEP cm